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April 18, 2016

Ms. Alison A. Hess, CPG
Senior Project Manager
United States Environmental Protection Agency
Emergency & Remedial Response Division
290 Broadway, 19<sup>th</sup> Floor
New York, NY 10007-1866P

Re: Koppers Seaboard Site and Standard Chlorine Company Superfund Site, Kearny, New Jersey

#### Dear Ms. Hess:

As discussed at our meeting at the United States Environmental Protection Agency (USEPA) offices on March 30, 2016, the Hudson County Improvement Authority (HCIA), the owner of the Koppers Seaboard Site, Kearny, New Jersey (Koppers Site) has entered into a Purchase and Sale Agreement with Morris Kearny Associates, LLC (MKA) to develop the Koppers Site. An overview of the MKA Project is provided in **Attachment A**. Essentially, the MKA Project will include the construction of four new industrial warehouse buildings, totaling approximately 2.1 million square feet, along with associated paved parking lots, paved roads and utility infrastructure. The estimated economic impact of the MKA Project is more than a billion dollars. A current overall layout of the MKA Project is indicated in **Attachment B**.

As also shown on **Attachment B**, a 21 acre portion of the Koppers Site has a planned project location for New Jersey Transit. This project location was developed through a legal settlement of a property dispute between HCIA and NJ Transit regarding the cancelled Access to the Regions Core (ARC) project that was proposed by NJ Transit. In accordance with the settlement, some portion of the Koppers Site will need to be provided for use by NJ Transit and the NJ Transit project cannot be voluntarily removed from the Koppers Site.

It was understood based upon the discussion at the March 30, 2016 meeting that the USEPA was reviewing a Remedial Investigation and Focus Feasibility Study (RI/FFS) for the adjacent Standard Chlorine Chemical Company, Inc. Superfund Site (SCCC). This RI/FFS was directed by the USEPA and was intended to provide support for a Remedial Action Plan and Record of Decision to be prepared by the

USEPA for SCC. It was also understood that the USEPA would be interested in receiving input from the HCIA regarding the RI/FFS. As such, the HCIA is providing comments to the USEPA.

The Koppers Site is listed on the New Jersey Department of Environmental Protection (NJDEP) Known Contaminated Sites List and is under the jurisdiction of a NJDEP Licensed Site Remediation Professional, Mr. John Bolan. A remedial action work plan and several remedial action work plan addendums were approved and remediation has been implemented. Most of the remediation has been completed and processed dredged materials (PDM) created by an on-site dredged materials processing facility are being used for capping. The MKA Project Plan, indicated in **Attachment B**, is intended to become the final cap of the Koppers Site for remediation purposes.

HCIA is aware that a series of recovery wells tied to a treatment plant located on SCCC was constructed for the capture and containment of DNAPL within the westerly 13 acres of the Koppers Site. HCIA is also aware that the westerly 13 acres of the Koppers Site, the SCCC and Tierra Solutions Site are surrounded by a one foot thick cement bentonite slurry wall as a secondary means of containment. The slurry wall and recovery wells were installed as part of an Interim Remedial Measure (IRM) for the SCCC, directed by the NJDEP but with input from the USEPA. The approved remedial action for the Koppers Site calls for the filling of the westerly 13 acres. Analyses of the existing slurry wall by HCIA's consulting engineer indicate that the cement bentonite slurry wall could not support the load imposed by the filling for the Koppers Site remedial action and fill setbacks from the slurry wall are being temporarily used to prevent impacts to the slurry wall.

The existing slurry wall also has an impact to Building #4 of the MKA Project since a portion of the slurry wall would lie beneath the proposed building footprint. As shown in the three plans provided in **Attachment C**, MKA has attempted to move both Building #4 and the westerly boundary of the NJ Transit project location to avoid the slurry wall. Even with these movements and the required NJ Transit project location, a portion of Building #4 will still lie above the existing slurry wall (see sk 36-01-11-16 in **Attachment C**). The construction of Building #4 could cause damage to the existing SCCC slurry wall. Access roads serving the entire MKA Project will also need to cross over the existing slurry wall and utility infrastructure serving the entire MKA project will also need to pass through the existing slurry wall. Cement bentonite is not a self-healing type of slurry wall and will be subject to fracture and cracking under loads and penetration.

Therefore, it is apparent that the location and construction of the existing SCCC slurry wall is an impediment to the completion of the Koppers Site remedial action. Filling for remedial action and the completion of the MKA Project, intended to serve as the final cap, will be impacted. The positive economic impacts of the MKA Project will also be significantly reduced.

The location and construction of the SCCC slurry wall should be reconsidered during the review of the SCCC RI/FFS and require the re-study of the SCCC existing slurry wall, within the Koppers Site 13 acres, in view of the impediments discussed above. The RI/FFS should require that a new, more suitable means of secondary contaminant be employed in the Koppers Site westerly 13 acres. This new means of containment should consider the filling required for the Koppers Site remediation and the new construction required for the MKA Project as shown on sk 36-01-11-16. Some options available for consideration should include the following:

- 1. Removal of the slurry wall without replacement based on the effectiveness of existing groundwater extraction system (hydraulic containment)
- 2. Relocate Slurry Wall. Abandon the section adjacent to MKA Building #4 and install a cement bentonite or soil bentonite replacement section.
- 3. Reinforce or augment the slurry wall sections/areas using grout curtain, sheet piles, geomembrane, load transferring caps, increase the wall thickness or use soil-bentonite
- 4. Effective replacement of containment area by the use of additional extraction wells connected to the existing SCCC treatment plant
- 5. Consider repair and or relocation of slurry wall after damage is confirmed.

HCIA trusts that our comments are useful to the USEPA and will be considered during the review of SCCC RI/FFS. The HCIA and MKA are available for further discussion on this matter. Thank you for your consideration.

Very truly yours,

Norman M. Guerra Chief Executive Officer

P (%) 20 120

Cc: M. O'Connor, HCIA

K. Morris, Morris

T. Schwartz, Scarinci and Hollenbeck

T. Gallagher, Morris

J. Bolan, PS&S

#### **ATTACHMENTS**

Attachment A - Overview of MKA Project

Attachment B -MKA current Project Plan

Attachment C - Alternative MKA Plans to avoid slurry wall

## **BACKGROUND INFORMATION**

### REDEVELOPMENT OF KOPPERS PENINSULA, KEARNY, NEW JERSEY

The following is a summary of the Morris Koppers project for consideration in the Focus Feasibility Study ("FFS).

Morris Realty Associates, LLC ("Morris") is the preferred redeveloper of an approximately 175 acre parcel of land on the Koppers Peninsula in Kearny, New Jersey. The parcel is presently owned by the Hudson County Improvement Authority ("HCIA"), which conducted a Request for Proposals ("RFP") for its development and selected Morris as the preferred developer. Morris will be investing substantial sums of money, without any public funding subsidy, to transform this vacant, formerly industrial property along the Hackensack River, with a long history of contamination issues, into the most significant port-related distribution center and support facility in northern New Jersey.

The project, consisting of in excess of two million sq. ft. of warehouse facilities, will represent the most significant economic engine in the region, providing over 2,000 construction jobs and over 2,400 permanent jobs, and providing over \$1,200,000,000 in overall economic activity in the area.

The redevelopment of this parcel may also include the co-development of a Micro-Grid system by NJ Transit, to provide power for its infrastructure and equipment. This project would be a very important system upgrade for NJ Transit and the region, as it will improve preparation and resilience in the face of major events like Superstorm Sandy. PSE&G will also be installing on a portion of the site the new transmission towers as part of its regional upgrade program to service the Hudson Generating Station.

Parcels adjacent to the HCIA parcel include a 25 acre parcel owned by the Town of Kearny, and a 25-acre parcel owned by Tierra Solutions. The Kearny and Tierra properties are undergoing remediation, however the Kearny site is also a Superfund site, under the jurisdiction of USEP A.

The Interim Remedial Action for this remediation included the installation of a barrier wall to collect ground water contamination. Part of the barrier wall occupies 13 acres of the HCIA parcel.

All of these parcels are located in the New Jersey Meadowlands District and have been declared by the New Jersey Meadowlands Commission ("NJMC") as "areas in need of redevelopment, and thus their development is regulated by the Koppers Coke Peninsula Redevelopment Plan adopted by the New Jersey Meadowlands Commission ("NJMC") on February 27, 2013. Recently the NJSEA determined the project to be a "vital project" for the region and assumed control over its planning and development.

Historically, the HCIA property was used for industrial operations that resulted in extensive contamination. Remediation has been ongoing for several years. The redevelopment of the site will provide for engineering controls to be installed by Morris to cap the site, as part of the remediation project.

Morris is developing plans for the construction of over 2 million square feet of warehouse distribution space which will be integrated with the NJ Transit property, the PSE&G power enhancement project, site remediation and Superfund projects.

The Koppers Peninsula project is an immensely complicated project in terms of planning, zoning, engineering, infrastructure, environmental remediation and construction. The NJMC staff have a great deal of experience with this property and with the particular challenges of project development in the Meadowlands, such as the need to address environmental contamination, inadequate infrastructure, waterfront and riparian issues, geotechnical challenges due to marsh land and other complexities.

This is very unique project due to the scope of the project and integration with projects by NJ Transit, PSE&G, NJDOT and site remediation and development. Throughout the development of the project, Morris has worked closely with HCIA, NJ Transit, PSE&G, U.S. Senators Menendez and Booker, Hudson County Executive, Hudson County Freeholders Board, Assemblyman Vincent Prieto, Congressman Albio Sires, Office of the Governor – Authorities Unit, the Hudson and Essex County Building Trades, and other stakeholders – all of whom are significant supporters of the project. The project serves as an integral and forceful economic engine for the region, not to mention gentrification of the surrounding area.

Below is a description of the Planning, Construction, Use Concepts and details for Coordination and Inclusion in the FSS.

# Attachments:

- A Map of Local Area
- Redevelopment Plan













